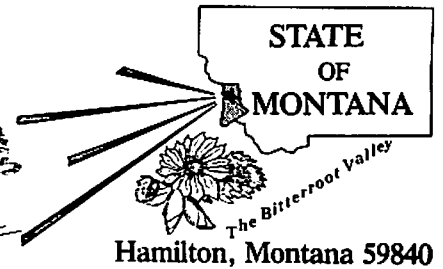
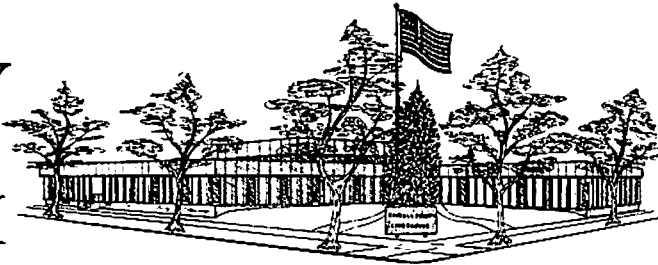


COUNTY OF RAVALLI



Ravalli County Commissioners
215 S. 4th Street, Suite A
Hamilton, MT. 59840
406-375-6500

February 12, 2009

Ms. Linda Coombs, Property Claim Supervisor
Montana Municipal Insurance Authority
P.O. Box 6669
Helena, MT 59604-6669

RE: Response on rabies exposure at Stevensville schools

Dear Ms. Coombs:

The County has received and reviewed your most recent correspondence addressed to County Attorney George Corn dated January 12, 2009. Please note that it is the Ravalli County Board of Commissioners who will make a decision on resolution of this issue and all correspondence should be sent to the Commission directly. If you wish to send a copy to the county attorney's office, please feel free to do so; however, we will consult with our attorney's office as necessary from our perspective.

While your most recent response addresses some issues, we note that you in no way addressed the representations made by Stevensville School officials that we should order vaccine in the amounts specified and hold clinics at the school facilities to assist with this unfortunate incident. We agree and accept that the school is responsible for the amount detailed in your letter of \$75,000.01. However, Ravalli County does not agree that this represents the total sum for which the school and its insurer are liable.

Some of our specific concerns about the initial amount of vaccine ordered for the individuals exposed at Stevensville School who opted out of the vaccination, as well as the amount of hourly compensation for hospice nurses and public health nurses who provided services at the school clinic above and beyond their regularly required duties as county employees, remain unresolved. Again, your letter does not address either of these major issues but argues instead about the number of band-aids purchased for the clinics themselves at \$.19 cents each.

It was always Ravalli County's intent to assist in this situation to the greatest extent possible given our legal duties and resources available. It is most dismayed to the Commissioners that, although we are community partners with the Stevensville School, your office worked immediately and diligently to start avoiding costs and whittling down your amount of liability in this matter. Frankly, this is a cause for concern since potentially events such as this could involve even greater public expense. We do not feel the School's representatives have acknowledged the School's full responsibility for its role in this matter, but have tried instead to defer responsibility or blame to

other agencies who came to the School's assistance in a time of need.

With all of that being said, Ravalli County still wishes to reach the best resolution for all entities. To this end, the Commissioners have authorized and made partial payment to Marcus Daly Memorial Hospital in the amount of \$29,402.97, for the excess portions of vaccines still in possession of Ravalli County. Ravalli County has also requested and received assistance from the State Health Office and State Pharmacy Board to be allowed to re-sell the excess portions of the vaccine, thus mitigating the expense for all potentially liable parties. We note that this will occur only through the continued use of taxpayer resources by the County and State to process requests for the vaccine and collect appropriate payment.

This payment has been made, not to acknowledge any legal responsibility of the County, but rather with the interest of facilitating prompt re-sale while the vaccine is viable so that this material is not simply wasted while you dispute payment for the vaccine that was ordered.

To attempt to resolve this situation, Ravalli County offers the following compromise. To the extent that Ravalli County has authority to resolve the outstanding obligation for the vaccine bill and clinic expenses, Ravalli County will accept the offer to resolve this matter for a total amount of \$83,616.75 (the \$75,000.01 currently offered by MMIA and \$8,616.74 from MSGIA, or any other combination of payment determined appropriate between your two agencies).

Ravalli County would request that this total amount be distributed as follows:

1. Full and prompt payment to Marcus Daly Memorial Hospital by MMIA/MSGIA of the unpaid vaccine balance of \$78,403.76. Marcus Daly is requesting payment of this amount by **February 25, 2009**, to avoid accruing 10% interest. According to MSGIA's January 12, 2009 letter and the attached vaccine breakdown provided by our Public Health Office, MSGIA would pay \$8,616.74 for the vaccine administered to the teachers, leaving a balance on the vaccine bill for MMIA to pay of \$69,787.02.
2. Full and prompt payment by MMIA to Ravalli County in the amount of \$5,212.99 (the balance of the \$75,000.01 you have offered less the amount paid toward vaccine). Ravalli County will distribute this amount toward the expenses incurred for the vaccination clinics as detailed in prior correspondence to you. This amount will at least reimburse the individuals who dedicated their time at the clinic, as well as the cost of supplies (which as I am sure you are aware had to be ordered ahead of time in gross for the multiple clinics that were held). The remaining amount will be used to help defray the expense to the County of current and future efforts to re-sell the excess vaccine at cost as outlined above.

If Ravalli County is able to re-sell the excess vaccine and the above amounts are paid to Marcus Daly and Ravalli County in a timely manner, we would consider the issues of vaccine payment and clinic expenses resolved and take no further action. This should save us all a great amount of resource and expense in continuing to dispute this matter. Please review this offer with your clients and respond to us if possible by remitting payment by February 25, 2009. If not acceptable and your board would like to arrange a meeting with the Commissioners to discuss alternatives, we would be happy to schedule a public meeting for this purpose.

Thank you for your attention to this offer.

Ms. Linda Coombs, Property Claims Supervisor
February 12, 2009
Page 3

Sincerely,



Carlotta Grandstaff, Chairman
Ravalli County Board of Commissioners

Encl: MSGIA letter dated January 12, 2009
breakdown of school teacher vaccine

cc: Kent Kultgen, Stevensville Superintendent
Shawn Bubb. MSGIA
Stevensville School Board
Ravalli County Public Health Office
Ravalli County Attorney

MSGIA

WORKERS' COMPENSATION RISK RETENTION PROGRAM

PO Box 7622 • Helena, Montana 59604 • Tel 577-667-7302 • Fax 406-457-4505 • www.msgia.org

January 12, 2009

George H. Corn
Ravalli County Attorney
2005 Bedford Street, Suite C
Hamilton MT 59840

JAN 15 2009

RE: Claimants: Linda B. Weston 2009024174
Rosalind Geis 2009024173
Kathleen Meyers 2009024172
Barbara Connors 2009024171
Janet Schott 2009024170
Steve Lewis 2009024169
DOI: 09/29/08
Employer: Stevensville School District

Dear Mr. Corn:

MSGIA/WCRRP is responsible for the administration of workers' compensation claims on behalf of the Stevensville School District.

We have agreed to pay for the rabies vaccinations that were a result of the 09/29/08 exposure of the above noted employees of the Stevensville School District. In order to issue payment, we will need to know the specific cost associated with the vaccination of each individual listed above.

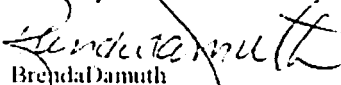
It is our understanding that the amount of vaccination administered was dependent upon the weight of the individual. We are assuming the Ravalli County Public Health Office kept this information in their records as they administered the vaccinations. Therefore, since you have access to the weight information and you have a per unit cost for the vaccination, you should be able to give us an itemized cost per individual.

In addition, we will need you to complete the enclosed W-9 form so we can issue payment. Once the completed W-9 form and the itemized costs are received, a check will be issued.

In case you had concerns regarding confidentiality, please be advised the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, 42 U.S.C. 1301 et seq. permits the disclosure of protected health care information pursuant to the provisions of state laws regarding workers' compensation. 45 CFR 164.512(l) states:

"Standard: Disclosures for workers' compensation. A covered entity may disclose protected health information as authorized by and to the extent necessary to comply with laws relating to workers' compensation or other similar programs, established by law, that provide benefits for work-related injuries or illness without regard to fault."

Sincerely,


Brenda Damuth
Claims Examiner
(406) 457-4500 Ext 4412



PUBLIC HEALTH NURSING

Ravalli County Courthouse
205 Bedford Street, Suite L
Hamilton, MT 59840-2853
Phone: 406-375-6670
Fax: 406-375-6680

Stevensville School Employee Expense

| Patient | Claim # | Weight (lbs) | Weight (kgs) | RIG cc Used | RIG Cost | Rabies Vaccine Cost | Total Cost |
|-----------------|------------|--------------|--------------|-------------|-------------|---------------------|------------|
| Linda Weston | 2009024174 | 135.00 | 61.36 | 8.00 | \$ 743.56 | \$630.60 | \$1,374.16 |
| Rosalind Geis | 2009024173 | 141.00 | 64.09 | 8.50 | \$ 790.03 | \$630.60 | \$1,420.63 |
| Kathleen Meyers | 2009024172 | 128.00 | 58.18 | 7.50 | \$ 697.09 | \$630.60 | \$1,327.69 |
| Barbara Connors | 2009024171 | 147.50 | 67.05 | 9.00 | \$ 836.51 | \$630.60 | \$1,467.11 |
| Janet Schott | 2009024170 | 147.50 | 67.05 | 9.00 | \$ 836.51 | \$630.60 | \$1,467.11 |
| Steve Lewis | 2009024169 | 172.00 | 78.18 | 10.00 | \$ 929.45 | \$630.60 | \$1,560.05 |
| Totals: | | | | | \$ 4,833.14 | \$3,783.60 | \$8,616.74 |

Rabies Immune Globulin (RIG) has a per 2 cc cost of \$185.89

Rabies Vaccine has a per dose cost of \$126.12. All patients received five doses.